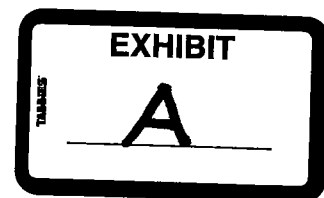


1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF OHIO  
3 WESTERN DIVISION

4 BARBARA LODER HILDEBRANDT, )  
5 )  
6 Plaintiff, )  
7 ) Case No.  
8 vs. ) C-1-02-0003  
9 )  
10 HYATT CORPORATION, et al., )  
11 )  
12 Defendants. )

13 Videotaped Deposition of  
14 EDWARD W. RABIN, taken before JANYCE W. BOOTH,  
15 CSR, RMR, CRR, and Notary Public, pursuant to the  
16 Federal Rules of Civil Procedure for the United  
17 States District Courts pertaining to the taking of  
18 depositions, at 140 South Dearborn Street, Suite  
19 420, Chicago, Illinois, commencing at 2:07 p.m. on  
20 the 21st day of April, A.D., 2004.  
21  
22  
23  
24



02:30:51 1 A That would have been certainly on the  
02:30:57 2 list where possible. Again, there's no universal  
02:31:02 3 rule that necessarily applies.

02:31:08 4 Q Do you recall anything specific that was  
02:31:11 5 done or any statements that were issued that  
02:31:13 6 related to restricting new hiring?

02:31:18 7 A I think we -- we would have had I'm sure  
02:31:23 8 any number of communications, both verbal and  
02:31:28 9 written, that said no new hiring during this  
02:31:34 10 period or new hiring should be kept to a minimum.

02:31:38 11 Q Would that go out to your management  
02:31:39 12 employees?

02:31:41 13 A I'm -- absolutely.

02:31:46 14 Q Including the national sales force?

02:31:49 15 A It would -- I would think it may be a  
02:31:51 16 little different there because they don't -- it's  
02:31:54 17 not like new hiring. It's not a -- it's not a  
02:31:56 18 function that is subject to a lot of open  
02:32:00 19 positions. I think this is not -- it's a little  
02:32:06 20 unique in that regard.

02:32:08 21 Q All right. I want to ask you a couple  
02:32:10 22 questions about Mr. Schnitz who's sitting here.

02:32:17 23 A Should we excuse him?

02:32:18 24 Q No. It's fine with me.

02:32:21 1 Were you involved in hiring Mr. Schnitz?

02:32:24 2 A I believe I was part of the interview

02:32:28 3 process at some point. The answer is yes. I was.

02:32:35 4 Q Okay. Do you recall what his role was to

02:32:37 5 be when he joined the company?

02:32:40 6 A His position was to fill a need in our

02:32:46 7 labor relations and principally in that area as a

02:32:59 8 key need of the company. But his overall acumen

02:33:08 9 and understanding of the law invites him to

02:33:11 10 participate in a lot of other areas also. So...

02:33:14 11 Q And he had been a member of the Fisher &

02:33:17 12 Phillips law firm before he came with?

02:33:21 13 A I -- I did not know that, no.

02:33:23 14 Q So you don't know that today?

02:33:24 15 A I know that now, yes.

02:33:26 16 Q Okay. Was part of Mr. Schnitz's role to

02:33:32 17 help develop a plan for eliminating positions at

02:33:37 18 Hyatt?

02:33:40 19 A Upon joining the organization or in

02:33:42 20 conjunction with joining the organization?

02:33:44 21 Q Yes.

02:33:44 22 A If it were, it was only coincidental that

02:33:49 23 that was his first assignment. And, again, I

02:33:52 24 don't know timing wise.

02:33:54 1 I'm sorry, Rob. I don't even recall when  
02:33:57 2 you joined the organization.

02:33:59 3 But... certainly that would have been --  
02:34:04 4 we would have asked for that assistance from the  
02:34:07 5 legal department in the event we found it  
02:34:09 6 necessary to do so.

02:34:12 7 Q Did you feel he had some expertise in  
02:34:14 8 that area of the law?

02:34:17 9 A I believe he was represented to have  
02:34:20 10 such, and that was his responsibility, so...

02:34:29 11 Q Now, after the events of September 11th,  
02:34:33 12 is it correct that Hyatt engaged in a -- what's  
02:34:37 13 called a reduction in force?

02:34:42 14 A Yes.

02:34:44 15 Q Okay. And do you recall the company  
02:34:49 16 having done that before in the past at any time?

02:34:56 17 A I think over the years -- and I'm dating  
02:35:00 18 myself -- we have done that from time to time,  
02:35:02 19 given the --

02:35:04 20 Q Do you recall whether there was a  
02:35:05 21 reduction in force at about the time of the Gulf  
02:35:10 22 War in around '91 or '92?

02:35:14 23 A There -- there was.

02:35:15 24 Q Okay. Do you remember that?

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION

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BARBARA LODER HILDEBRANDT, )  
)  
Plaintiff, )  
)  
-vs- )  
)  
HYATT CORPORATION, et al., )  
)  
Defendants. )

No. C-1-02-0003

Deposition of ROBERT SCHNITZ, taken before  
KAREN R. SHALES, C.S.R., R.P.R., and Notary Public,  
pursuant to the Federal Rules of Civil Procedure for  
the United States Courts pertaining to the taking of  
depositions for the purpose of discovery, at 420, 140  
South Dearborn Street, Chicago, Illinois, commencing  
at 8:44 a.m., on the 22nd day of April, 2004.

EXHIBIT

B

1 of me. And then in '96, I believe, I may be off a  
2 year or two there, but I became a partner at the firm  
3 and was performing whatever duties were appropriate  
4 at that level.

5 Q Did you specialize in any particular area of  
6 the law?

7 A Yes, and I will -- because that word  
8 sometimes means something under a different state law  
9 specialized, but our Fisher & Phillips law firm is a  
10 firm that focuses on the labor and employment law.  
11 All of the attorneys do it, and that was my area that  
12 I focused on while I was working there.

13 Q Okay. And at that time during 1991 to 2001,  
14 were you involved in representing Hyatt Corporation?

15 A No, not at all.

16 Q Okay. Did you focus your work as a partner  
17 on any particular aspect of employment law?

18 A I was involved in a very wide spectrum of  
19 issues under the field of labor employment law. If I  
20 had to single one out more than the others, it would  
21 be in the area of wage and hour law.

22 Q Did you handle cases involving reductions in  
23 force?

24 A I did. I was involved in a number of those,

1 held the position prior to me.

2 Q Did you know whether Mary Catherine Sexton  
3 was terminated?

4 A No, I do not.

5 Q You have never learned that?

6 A No.

7 Q Okay. Did you -- when you came to work at  
8 Hyatt, did you learn whether or not Hyatt was in the  
9 process of reducing its work force?

10 A At the time I started working there?

11 Q Yes.

12 A No, I don't believe that was the case.

13 Q Okay. You were present yesterday at Mr.  
14 Rabin's deposition, weren't you?

15 A Yes.

16 Q Do you retain any affiliation with Fisher &  
17 Phillips?

18 A I'm not a member of the firm in any sort of  
19 way or perform any services for the firm, but the law  
20 firm of Fisher & Phillips still is engaged as outside  
21 counsel to represent Hyatt in labor and employment  
22 matters, and I believe have been for a number of  
23 years prior to my arrival.

24 Q For example, are you on a leave of absence

1 Q Did someone request you to write this  
2 document or was it your own idea to do that?

3 A I was -- I'm not positive at that time, but  
4 it would not have been unusual for me to simply put  
5 together such a memo as part of my duty, as part of  
6 my job to provide legal counsel.

7 Q So you're not sure?

8 A I'm not positive, but I believe it was  
9 something I did on my own.

10 Q Okay. I take it from your earlier testimony  
11 that you didn't play any role in the decision to  
12 terminate Ms. Hildebrandt, that you made no approval  
13 of the reasons given to you?

14 MS. GALLION: Object to the form of the question.  
15 Witness may answer if he understands.

16 THE WITNESS: It's a little difficult to answer  
17 the question the way it's posed, but no, I would not  
18 have -- that was not my job to perform that task, to  
19 either approve or disapprove of the reasons.

20 BY MR. STEINBERG:

21 Q Okay. Did Mr. Patrick and Mr. Helms provide  
22 you with the reason at the same time or did you speak  
23 to them separately?

24 A At the same time.

1 MS. GALLION: I'm instructing him not to answer  
2 that question asking him what did his internal  
3 clients tell him which was the basis of their seeking  
4 advice, which is clearly, by all the case law,  
5 protected. They asked for his legal opinion and gave  
6 him facts.

7 MR. STEINBERG: Ms. Gallion, aside from your  
8 statements into the record, and you're not a witness,  
9 there is no evidence that anyone asked for a legal  
10 opinion. And Mr. Schnitz I believe has said he  
11 didn't give approval, but I'm leaving it there.

12 MS. GALLION: Approval is not a legal opinion.  
13 It may be the inaccuracy or faultiness of your  
14 questions, but that would be up to you.

15 BY MR. STEINBERG:

16 Q Mr. Schnitz, do you recall having discussions  
17 with any other Hyatt officials besides Patrick and  
18 Helms about the termination of Ms. Hildebrandt?

19 MS. GALLION: And I want to object to that  
20 question because it is absent any time frame, and if  
21 you -- I would ask respectfully that you clarify  
22 whether it's before or after the litigation.

23 MR. STEINBERG: My question covers any time  
24 frame, and it's a yes or no question. Are you

1 where you max out. Basically your maximum amount of  
2 severance pay, but someone who has been with the  
3 company 20 years versus 15 years, I don't know if  
4 that would make a difference one way or the other.

5 Q Do you recall whether ten years is a breaking  
6 point?

7 A I don't recall.

8 Q Okay. This will determine whether I have any  
9 additional questions. Is it true or not that the  
10 only advice you have given Hyatt officials about the  
11 reduction in force is legal advice?

12 A Yes, except with respect to my department.

13 Q Right.

14 A As I was mentioning before.

15 Q Okay.

16 MR. STEINBERG: I think we have come to the end  
17 of the road then. Thanks..

18 MS. GALLION: I have just a few questions, Mr.  
19 Schnitz.

20 FURTHER EXAMINATION

21 BY MS. GALLION:

22 Q I would like to go back to the beginning of  
23 your relationship with Hyatt. During any of your  
24 interviews or discussions with senior management then

1 at Hyatt while you were still working for the Fisher  
2 & Phillips law firm, did anyone at that company  
3 indicate that one of the purposes of your hire was to  
4 direct or to participate in any kind of reduction in  
5 force?

6 A No.

7 Q During the first few months that you were  
8 there, May, June, July, and August of 2001, are you  
9 aware of any reduction in force within the company  
10 that occurred anywhere?

11 A No.

12 Q Did you give advice for any reduction in  
13 force anywhere?

14 A In --

15 Q Prior to September of 2001?

16 A No.

17 Q Did anyone at Hyatt ask you to pay attention  
18 to or to look into or give advice concerning any  
19 reduction in force prior to the date that you have  
20 testified in approximately mid September of 2001?

21 A No.

22 Q I believe you were here yesterday for Mr.  
23 Rabin's deposition; is that correct?

24 A That's correct.